

116TH CONGRESS  
1ST SESSION

# H. R. 1143

To amend title XXVII of the Public Health Service Act to require a health insurance issuer offering short-term limited duration insurance to include a standardized disclosure and certain information with respect to coverage exclusions and premium variations in marketing, application, and enrollment materials distributed in connection with such insurance and prohibiting the sale of such insurance during certain periods.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2019

Ms. ESHOO introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

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1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

## **1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Educating Consumers  
3 on the Risks of Short-Term Plans Act of 2019”.

#### **4 SEC. 2. REQUIRING A HEALTH INSURANCE ISSUER OFFER-**

15       (a) IN GENERAL.—Subpart II of part A of title  
16 XXVII of the Public Health Service Act (42 U.S.C.  
17 300gg–11 et seq.) is amended by adding at the end the  
18 following new section:

19       **"SEC. 2730. INFORMATION REQUIRED TO BE INCLUDED IN**  
20                   **MARKETING, APPLICATION, AND ENROLL-**  
21                   **MENT MATERIALS DISTRIBUTED IN CONNEC-**  
22                   **TION WITH SHORT-TERM LIMITED DURATION**  
23                   **INSURANCE; LIMITATION ON ENROLLMENT**  
24                   **PERIOD.**

**25            "(a) PROVISION OF INFORMATION.—**

1               “(1) IN GENERAL.—A health insurance issuer  
2               offering short-term limited duration insurance shall  
3               include in any marketing, application, or enrollment  
4               materials distributed by such issuer in connection  
5               with such insurance, in a prominent location set  
6               apart from other information—

7               “(A) the standardized disclosure estab-  
8               lished by the Secretary under paragraph (2);  
9               and

10             “(B) a list of all medical conditions, in-  
11             cluding both physical and mental health condi-  
12             tions—

13             “(i) which may result in an individual  
14             being denied the ability to enroll under  
15             such insurance;

16             “(ii) for which such issuer may apply  
17             a preexisting condition exclusion (as de-  
18             fined in section 2704(b)(1)) with respect to  
19             an enrollee under such insurance;

20             “(iii) which may result in an increase  
21             in premium amounts for such an enrollee  
22             compared to what such amounts would  
23             have otherwise been for such enrollee ab-  
24             sent such condition; or

1                         “(iv) for which such issuer may termi-  
2                         nate coverage under such insurance with  
3                         respect to such an enrollee.

4                         “(2) ESTABLISHMENT OF DISCLOSURE.—For  
5                         purposes of paragraph (1)(A), the Secretary shall es-  
6                         tablish a standardized disclosure with respect to  
7                         short-term limited duration insurance offered by a  
8                         health insurance issuer that includes the following  
9                         information:

10                         “(A) A notification that such insurance  
11                         may not cover preexisting conditions of an en-  
12                         rollee, including past physical or mental health  
13                         conditions, regardless of whether such enrollee  
14                         was aware of such conditions or had sought  
15                         treatment for such conditions on or before the  
16                         date of enrollment in such insurance.

17                         “(B) A notification that such issuer may  
18                         rescind coverage under such insurance if an en-  
19                         rollee seeks treatment for such a preexisting  
20                         condition, regardless of whether such enrollee  
21                         was aware of such condition or had sought  
22                         treatment for such condition on or before the  
23                         date of enrollment in such insurance.

24                         “(C) A notification that such insurance  
25                         provides limited benefits compared to individual

1           health insurance coverage and does not include  
2           all benefits required to be covered under the  
3           Patient Protection and Affordable Care Act (in-  
4           cluding the essential health benefits package (as  
5           defined in section 1302(a) of such Act)) or  
6           under this title.

7           “(D) A notification that coverage under  
8           such insurance is temporary and may not cover  
9           the costs of an enrollee for most hospital or  
10          other medical items and services, including both  
11          physical and mental health items and services.

12          “(E) A notification that an individual  
13          should carefully review the benefits provided  
14          under such insurance before enrolling in such  
15          insurance.

16          “(F) A notification informing individuals  
17          of the opportunity to purchase comprehensive  
18          individual health insurance coverage through  
19          Exchanges established under the Patient Pro-  
20          tection and Affordable Care Act that provides  
21          coverage for preexisting conditions without pre-  
22          mium increases for such conditions and for  
23          which such individuals may be eligible for finan-  
24          cial assistance. Such notification shall include

1           information on how such individuals may access  
2           such Exchanges.

3        “(b) LIMITATION ON ENROLLMENT PERIOD.—A  
4 health insurance issuer offering short-term limited dura-  
5 tion insurance may not enroll any individual in such insur-  
6 ance during any annual open enrollment period applicable  
7 to such individual with respect to an Exchange.”.

8        (b) CONFORMING AMENDMENTS.—

9           (1) ENFORCEMENT.—Section 2723 of the Pub-  
10 lic Health Service Act (42 U.S.C. 300gg–22) is  
11 amended—

12           (A) in subsection (a)—

13               (i) in paragraph (1), by inserting “, or  
14 short-term limited duration insurance in  
15 the State,” after “group market”; and

16               (ii) in paragraph (2), by inserting  
17 “(or, in the case of such a failure with re-  
18 spect to section 2730, in connection with  
19 short-term limited duration insurance)”  
20 after “individual health insurance cov-  
21 erage”; and

22           (B) in subsection (b)(1)(B), by inserting “,  
23 short-term limited duration insurance,” after  
24 “individual health insurance coverage”.

1                         (2) PREEMPTION.—Section 2724(a)(1) of such  
2                         Act (42 U.S.C. 300gg–23(a)(1)) is amended by in-  
3                         serting “or short-term limited duration insurance”  
4                         after “group health insurance coverage”.

5                         (c) EFFECTIVE DATE.—The amendments made by  
6                         this section shall apply with respect to marketing, applica-  
7                         tion, and enrollment materials distributed in connection  
8                         with short-term limited duration insurance on or after  
9                         September 1, 2019.

